

Howard

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5/6/02
2002

AGREEMENT

This Agreement is entered into by and between:

MANATRON, INC.
Hereinafter the "Company"
4625 West 86th Street
Indianapolis, Indiana 46268
And

HOWARD COUNTY, INDIANA
Hereinafter the "Customer"
236 North Main Street
Kokomo, Indiana 46901

GENERAL TERMS AND CONDITIONS

I. PAYMENT

The Company shall invoice 25% of the equipment and/or software amount on Agreement execution, 60% on shipment and 15% on Acceptance, except for those instances in which the total hardware and/or software amount is less than \$10,000, in which case said amount shall be invoiced 100% on installation. Services shall be invoiced as provided, except for maintenance and support services which shall be invoiced annually, in advance, commencing on the first of the month next following installation. Unless Customer notifies Company that it rejects the hardware and/or software as non-conforming, hardware and/or software shall be deemed to be accepted by Customer thirty (30) days after installation.

Customer agrees to pay Company within sixty (60) days of receipt of an invoice, subject to customer claims procedures. Customer agrees to pay a late payment charge at the rate of one and one-half percent (1 1/2 %) per month, or at the maximum late payment charge permitted by applicable law, whichever is greater, on any unpaid amount for each calendar month, or fraction thereof, that such payment is unpaid. Additionally, in the event payment is not received within 90 days of receipt of an invoice, Company reserves the right to repossess the hardware and/or software delivered and to discontinue all services under this Agreement

II. TAXES

Unless proof of exemption therefrom is provided, the Customer shall pay the Company all taxes (excluding taxes based on the Company's net income) together with penalties and interest related to prices, other charges, the equipment, software or services furnished under this Agreement, however designated, levied or based, whenever the Company must pay or collect the tax from the Customer according to applicable law, as interpreted by the departmental authorities of the taxing unit. It shall be the Customer's sole obligation to challenge the applicability of any tax. Any personal property taxes assessable on the equipment after shipment shall be borne by the Customer.

III. LIMITATION OF LIABILITY

During the term of this Agreement, Company shall maintain insurance coverage covering its operations as follows:

- A. Workers' compensation and Employers' Liability in amounts no less than the limits of liability required by law.
- B. Automobile Liability in an amount no less than \$1,000,000.

GENERAL TERMS AND CONDITIONS (cont.)

III. LIMITATION OF LIABILITY (cont.)

- C. Commercial General Liability on an occurrence basis in amounts no less than the following:
- | | |
|----------------------------------|-------------|
| General Aggregate | \$2,000,000 |
| Products | \$2,000,000 |
| Personal/ and Advertising Injury | \$1,000,000 |
| Each Occurrence | \$1,000,000 |
| Fire Damage | \$1,000,000 |
| Medical Expenses | \$10,000 |

Upon request by Customer, Company shall provide Customer with Certificate(s) of Insurance. Company shall use its best efforts to provide Customer with at least 30 days written notice prior to the expiration or cancellation of coverage afforded under the applicable policies.

Company shall not be liable for any:

- A. Loss of profits arising from or in any way related to any breach of this Agreement or the operation or use of the hardware, software and/or related software products and services including, without limitation, damages arising from the loss of data or programming, loss of revenue or profits, failure to realize savings or other benefits, damage to equipment and claims against Customer by any third party, even if Company has been advised of the possibility of such damages; and
- B. Damages (regardless of their nature) for any delay or failure by Company to perform its obligations under this Agreement due to any cause beyond its reasonable control.

Notwithstanding any other provision of this Agreement, Company's liabilities under this Agreement whether under contract law, tort law or otherwise shall in no event exceed Company's insurance coverage. To the extent that a claim is not within Company's insurance coverage, Company's liability shall in no event exceed the amount actually received by Company for the hardware, software and/or related software product or servicing giving rise to such claim.

Any action by the Customer on this Agreement or otherwise relating to services preformed under this Agreement must be brought within one (1) year after the cause of action occurs or within one (1) year after completion of the work, whichever is earlier.

IV. DEFAULT

The Company may declare this Agreement in default (a "Default") if (i) the Company has not received any payments due hereunder within sixty (60) days after their due date, subject to Customer's claims procedures, or (ii) the Customer fails to fulfill its obligations or violates any other term of this Agreement and fails to correct such violation within thirty (30) days after written notice from the Company, or (iii) the Customer violates the terms of any license or agreement for the software provided under this Agreement, or (iv) the Customer assigns its rights or property for the benefit of creditors or the Customer's assets or property are attached or seized pursuant to an execution of judgement or (v) a petition is filed by the Customer under Chapter 11 of the United States Bankruptcy Code or any successor or similar law. At any time after declaring a Default, the Company has the right to discontinue services and to enter any premises where the equipment and/or software may be located, with or without legal process, and take possession of the equipment and/or software. In such event, Customer hereby waives any and all claims arising from or connected with such taking and to all of Customer's rights under this Agreement, including rights to amounts paid, if any, and to the equipment and software. Company may pursue any alternative or additional and cumulative remedies provided by law and may assess against Customer all costs and attorney fees incurred in enforcing its rights herein, to the extent permitted by law.

In the event that Company defaults on any terms or conditions under this Agreement, Customer shall have the right to all remedies or actions at law or in equity, and shall be entitled to reasonable attorneys fees incurred in enforcing such remedies or actions, but not to exceed in aggregate, the amount actually received by the Company.

GENERAL TERMS AND CONDITIONS (cont.)

V. TECHNOLOGY LIFE EXPECTANCY

Customer understands, acknowledges and agrees that the technology upon which computer equipment and software is based changes very rapidly. Company makes no representations that the equipment and/or software products identified on Schedules A and B of this Agreement will be functional for Customer indefinitely. Future resources may be necessary, which include, but are not limited to, additional disk storage and memory, as well as workstation/server and third-party software upgrades. Company believes that the products provided Customer hereunder will function in a satisfactory manner for a reasonable period of time; however, Company cannot guarantee that product upgrades will not be needed during the term of this Agreement. Any such upgrades and all associated costs thereof shall be Customer's responsibility.

VI. REPRESENTATIONS AND WARRANTIES OF CUSTOMER

The Customer represents and warrants to the Company that as of this date, and throughout the term of this Agreement the Customer is the entity indicated on the first page hereof. The Customer is authorized to enter into and to carry out its obligations under this Agreement. This Agreement has been authorized, executed and delivered by the Customer in accordance with all applicable laws, rules, ordinances and regulations. This Agreement is valid, legal, binding and enforceable in accordance with its terms. The person(s) signing this Agreement have the authority to do so, are acting with the full authorization of the Customer's governing body and hold the office indicated below their signatures, each of which are genuine. The Customer intends to use the equipment and/or software for the entire term of this Agreement and will take all necessary actions to include in its annual budget any funds required to fulfill its obligations for each fiscal year during such term.

VII. AGREEMENT

This Agreement, including the Schedules attached hereto and by this reference made an integral part hereof, constitute the complete and entire Agreement between the parties with respect to the subject matter hereof and supercedes all previous proposals, oral or written, express or implied, and all negotiations, conversations or discussions heretofore had between the parties related to the subject matter of this Agreement.

VIII. GOVERNING LAW

This Agreement will be interpreted under the laws of the Customer's state as of the effective date of this Agreement.

IX. STATUTORY REQUIREMENTS

All statutory requirements, as contemplated in the performance of the services to be provided hereunder, will be as the law has been enacted and interpreted by the courts of the Customer's state as of the effective date of this Agreement.

X. CONFLICT

In case of conflict between the terms of this Agreement and terms of the attached schedule(s), the terms of the attached schedule(s) will control

XI. SEVERABILITY

If any provision of this Agreement is declared invalid or unenforceable, such invalidity or unenforceability will not affect the balance of this Agreement, but the balance of this Agreement will be construed as if not containing the provision, and the rights and obligations of the parties will be construed and enforced accordingly, provided that same is not of a material nature and does not substantially affect the work or the cost associated.

XII. AMENDMENT

This Agreement shall not be deemed or construed to be modified, amended, rescinded, canceled or waived, in whole or in part, except by a writing signed by both parties hereto.

GENERAL TERMS AND CONDITIONS (cont.)

XIII. TRAVEL EXPENSES

All pricing contained in this Agreement is exclusive of travel related expenses. Customer agrees to reimburse Company for all reasonable travel related expenses incurred by Company in fulfilling its duties and obligations under this Agreement.

XIV. INDEPENDENT CONTRACTOR

The relationship of the Company to the Customer will be that of an independent contractor, and no principal-agent or employer-employee relationship is created by this Agreement.

XV. WAIVER

No failure by either party hereto to take any action or assert any right hereunder shall be deemed to be a waiver of such right in the event of the continuation or repetition of the circumstance giving rise to such right.

EQUIPMENT AND SYSTEM SOFTWARE

I. DELIVERABLES

Company agrees to provide the equipment and system software listed on Schedule A hereto during the term of this Agreement. Customer acknowledges and agrees that Company is not the manufacturer or developer, as the case may be, of any of the items contained on Schedule A.

II. INSTALLATION

The initial installation shall be performed by Company during Company's normal working hours. Company shall deliver and install the equipment as soon as reasonably possible.

III. DESTINATION AREA TRANSPORTATION

Company shall arrange for transportation of the equipment and system software to the Customer's premises and Customer shall pay all transportation charges associated therewith.

IV. RISK OF LOSS OR DAMAGE

Customer shall assume full risk of loss or damage to the equipment immediately upon its shipment to Customer's location. As long as Company holds a security interest in the equipment, Customer shall maintain the equipment in good operating condition; keep the equipment free from liens and encumbrances; not use or permit use of equipment in any manner likely to be injurious to it; nor remove or permit removal from original location; not make or permit alteration without the prior written consent of Company; permit inspection by Company at reasonable times; and procure and maintain fire, extended coverage, vandalism and malicious mischief insurance on the full value of the equipment, naming the Company as loss payee.

V. WARRANTY

The Company represents and warrants that it is authorized to transfer only those warranties, subject to certain limitations, conditions and qualifications, stipulated by the manufacturer or developer. The Company itself makes no warranties as to any equipment or system software, all of which, if any, are made solely by the manufacturer or developer.

THE ABOVE ARE THE ONLY WARRANTIES OF ANY KIND, EITHER EXPRESS OR IMPLIED, THAT ARE MADE BY THE COMPANY WITH RESPECT TO EQUIPMENT AND SYSTEM SOFTWARE. THE COMPANY MAKES NO OTHER SUCH WARRANTIES, INCLUDING BUT NOT LIMITED TO, THE IMPLIED WARRANTIES OF MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE, WHICH ARE HEREBY DISCLAIMED. NO ORAL OR WRITTEN REPRESENTATIONS, INFORMATION OR ADVICE GIVEN BY THE COMPANY, ITS AGENTS OR ITS EMPLOYEES SHALL CREATE A WARRANTY OR IN ANY WAY INCREASE THE SCOPE OF THE ABOVE WARRANTIES, AND CUSTOMER MAY NOT RELY ON ANY SUCH INFORMATION OR ADVICE FOR THAT PURPOSE.

VI. MINIMUM EQUIPMENT SPECIFICATIONS

In the event Customer should utilize any equipment and/or system software not expressly provided by Company under this Agreement, Customer shall, at its own cost and expense, ensure that said equipment and/or system software meets or exceeds the minimum specifications attached hereto as Exhibit A-1. Company represents that said minimum specifications are correct and necessary, as of the date of this Agreement, to ensure the proper operation of the latest Release of the Program Products provided herein.

APPLICATION SOFTWARE

I. DELIVERABLES

The Company does hereby grant and Customer accepts a personal, nontransferable and nonexclusive right and license to use the application software identified on the attached Schedule B during the term of this Agreement.

II. DEFINITIONS

"Program Products" shall collectively mean the application software identified on the attached Schedule B and all related materials, such as documentation, data dictionaries, etc.

"Documentation" shall mean the user manual and other similar information about the features and use of the Program Products. Such documentation shall be provided, at Company's option, in either hard copy or in electronic form.

III. DELIVERY

Company shall furnish Customer, on or about a mutually agreeable delivery date, the then current version of the Program Products.

IV. OWNERSHIP/CONFIDENTIALITY

Customer acknowledges that the Program Products, including all underlying intellectual property rights, are and shall remain the exclusive property of Company and that Company holds the copyright interests therein, the Program Products being treated as unpublished works. For purposes of this provision, the term "Program Products" shall include, without limitation, all databases and database files. Customer further acknowledges that the Program Products incorporate trade secrets and confidential information of Company, and Customer shall hold the trade secrets and confidential information in trust and shall not disclose, publish, release, transfer or otherwise make available any Program Products, in any form, to any person other than an employee of Customer or Company without the prior written consent of Company, except during the period any such person is on Customer's premises for purposes specifically related to Customer's use of the Program Products. Customer shall take all reasonable steps to insure that its employees comply with the terms of the provision. Customer shall not allow the Company's Program Products to enter the public domain.

The Program Products shall be used only for the processing of Customer's own transactions and maintaining its own records. Customer shall not: (a) permit any third party to use the Program Products or the related documentation, or permit access thereto except by its employees who need such access to carry out their duties in the ordinary and normal course of Customer's business; (b) use the Program Products or the related documentation in the operation of a service bureau or to process data or transactions for other persons or entities; or (c) allow access to the Program Products through terminals (other than those of Company) located outside Customer's business premises without the express written consent of Company. The provision does not prevent Customer from providing public inquiry, dial-in, internet, access or similar services to the public, provided Customer has purchased the proper number of Program Product licenses.

Customer acknowledges that the Company may, at its option, provide the Program Products in either an object code or an interpreted code version. In any case, the Customer shall not translate, reverse engineer, decompile, recompile, update, enhance, modify or create derivations for all or any part of any Program Product(s) or merge any Program Product(s) into any other software. In the event Customer breaches this provision, Company's responsibility, if any, to support the Program Products shall immediately cease and the Customer's right to use the Program Products shall immediately terminate.

Customer shall have the right to copy the Program Products for backup and archival purposes only. Customer shall not remove any copyright, trademark, proprietary legends, or legal or warning notices included on or embedded in any Program Products. All copies made by Customer shall be the property of Company.

Customer recognizes and acknowledges that in the event of any breach of this provision (either actual or threatened) by Customer, Company's remedies at law shall be inadequate. Customer agrees that, in such event, Company shall have the right of specific performance or injunctive relief, or both, in addition to any and all remedies and rights of law or in equity and such rights and remedies shall be cumulative.

APPLICATION SOFTWARE (cont.)

V. DATABASES

Customer acknowledges and agrees that the structure and sequence of the databases and database files, including those created by Customer under this Agreement, are proprietary to Company and subject to the confidentiality requirements as set forth in this Agreement. Any data supplied by Customer shall remain the property of Customer. Upon termination of this Agreement and upon request by Customer, Company shall return the data to Customer in a format reasonably requested by Customer (other than Company's proprietary format) upon payment of Company's then current fee for this service. Customer shall in no event continue to use the database or database files or provide the database or database files to any third party after the termination date. This provision shall not prevent Customer from having the data exported from the Data Base File.

VI. WARRANTY

Each Program Product is warranted, for a period of one year, to conform to the design specification for that release as designated on the Program Product specification or similar applicable release. Customer agrees that its sole and exclusive remedy and Company's sole obligation, if a Program Product warranted hereunder fails to conform to the applicable design specifications and Customer has advised Company of such failure in writing during the term of the warranty, is for Company to provide programming services to attempt to correct any defect in a timely manner. For purposes of this provision, non-conformance to design specification and the term "defect" shall mean only significant deviations from the design specifications for such current release of the Program Product. In the event Company does not correct any such defect after it has had reasonable opportunity to do so, Customer's exclusive remedy shall be the refund of the amount paid as the license fee for the defective Program Product.

Company warrants that the Program Products will operate accurately, and will not abruptly end or provide invalid or incorrect results, during operation prior to, on or after January 1, 2000.

THE ABOVE IS THE ONLY WARRANTY OF ANY KIND, EITHER EXPRESS OR IMPLIED, THAT IS MADE BY THE COMPANY WITH RESPECT TO PROGRAM PRODUCTS. THE COMPANY MAKES NO OTHER SUCH WARRANTY, INCLUDING BUT NOT LIMITED TO, THE IMPLIED WARRANTY OF MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE, WHICH ARE HEREBY DISCLAIMED. NO ORAL OR WRITTEN REPRESENTATIONS, INFORMATION OR ADVICE GIVEN BY THE COMPANY, ITS AGENTS OR ITS EMPLOYEES SHALL CREATE A WARRANTY OR IN ANY WAY INCREASE THE SCOPE OF THE ABOVE WARRANTY, AND CUSTOMER MAY NOT RELY ON ANY SUCH INFORMATION OR ADVICE FOR THAT PURPOSE.

VII. INTELLECTUAL PROPERTY INDEMNITY

Company agrees to indemnify, save harmless and defend Customer, at the expense of Company, from any and all suits, judgments, costs, damages, claims, demands, actions, causes of action, proceedings, expenses or liabilities of any nature, which are threatened or brought against, or are incurred by, Customer arising from a claim that any element of the licensed application Program Products constitutes an infringement of any United States patent or copyright, or is a trade secret of another; provided, however, that Company is notified thereof promptly in writing. Company shall have the sole control of the defense of any such suit, proceeding or action. Company, in its sole discretion, shall have the right to settle any such suit, proceeding or action.

If the use of any element of a Program Product is enjoined or prohibited or threatened to be enjoined or prohibited as a result of any such claim, suit, action, proceeding or settlement, Company shall have the right to (a) procure for Customer the right to continue to use said element; (b,) replace said element with a comparable element which is non-infringing or is not such a trade secret; (c) modify said element so it becomes non-infringing or no longer is such a trade secret; or (d) terminate the license for said element and credit Customer the amounts Customer has paid to Company for said Program Product.

APPLICATION SOFTWARE (cont.)

VIII. RETURN UPON TERMINATION

Within thirty (30) days after the termination or cancellation for any reason of the license(s) granted hereunder, Customer shall deliver to the Company the Program Products, and all copies thereof in whichever form. Customer shall certify, in writing, to Company that it has destroyed all electronic and/or archival copies of the Program Products. Upon prior written authorization from the Company, the Customer shall be permitted for a specific period thereafter to retain one copy of certain materials for record purposes. Upon prior written authorization from the Company, the Customer shall be permitted for a specific period thereafter to retain one copy of Program Products.

SUPPORT SERVICES

I. DEFINITIONS

"Designated Holiday"

Means each of the following days: New Year's Day, Memorial Day, Independence Day, Labor Day, Thanksgiving Day and the immediately succeeding Friday, Christmas Eve and Christmas Day.

"Release"

Means a software product providing minor error corrections, modifications or enhancements to a Program Product Version and which is generally offered and expressly designated by the Company in its sole discretion as a Release.

"Version"

Means the original of or a successor to a specified Program Product and which is generally offered and expressly designated by the Company in its sole discretion as a Version.

"Error or Defect"

Means any failure of a Program Product to conform in all material respects to its functional specifications as published from time to time by Company.

II. SCOPE OF SERVICES

Company shall render to Customer the following services:

A. SOFTWARE

Program Products

Company shall provide support services for the Program Products identified on Schedule B hereto. Such services shall include troubleshooting, technical analysis, problem diagnosis and procedural assistance. All such services shall be provided via telephone contact with Customer and/or remote dial-up access by Company into Customer's computer system.

Company shall be responsible for using all reasonable diligence to attempt to correct or cure any verifiable and reproducible Error or Defect in a Program Product by issuing corrected instructions, a restriction, a bypass or procedural workaround or a new Release. Company shall not be responsible for correcting any Error or Defect in any version of the Program Products other than the most recent Version/Release of the Program Product, provided that Company shall continue to support prior Releases for a reasonable period sufficient to allow Customer to implement the newest Version/Release. In the event Company does not resolve an Error or Defect after it has had a reasonable opportunity to do so, Customer's exclusive remedy shall be the refund of the amount paid as the license fee for the defective Program Product.

Company shall issue new Releases of the Program Products from time to time to its contracted support customers. Such Releases may include functionality enhancements, error corrections and modifications required by legislation and/or administrative rule. Depending upon the scope and magnitude of the new components of a given Release, Company may, in its sole discretion, charge Customer additional reasonable fees for such Release. In such event, Company shall spread its fees for such a Release proportionally among all Customers that elect to use updated Program Product. In no event will any such fees exceed Company's then current list price for that Program Product.

From time to time, Company may develop a completely new Version of a Program Product. Said Version would typically incorporate the use of new technologies as well as the addition of significant functional enhancements. For such new Versions, Customer must pay additional license fees, as determined by Company. In such event, Company shall continue to support the prior Version of the Program Product for a reasonable period.

SUPPORT SERVICES (cont.)

II. SCOPE OF SERVICES (cont.)

A. SOFTWARE (cont.)

System Software

Company shall provide support services for only such system software products specifically identified as eligible for Company support on Schedule A hereto. Company may not provide support services for each of the system software products it provides Customer under this Agreement. For each system software product that is supported by Company, such support shall include troubleshooting, technical analysis, program diagnosis and procedural assistance, except as provided in article II, Part C below. All such services shall be provided via telephone contact with Customer and/or remote dial-up access by Company into Customer's computer system. For almost all system software products provided by Company, Customer must pay additional fees for new releases and new versions. For certain select system software products, Company does offer a comprehensive support services plan, which includes new releases/versions at no additional cost. Any products covered under this plan must be specifically identified as such on Schedule A hereto.

B. EQUIPMENT

Company shall provide onsite equipment maintenance for those hardware products specifically identified as eligible for Company maintenance on Schedule A hereto. Equipment maintenance services shall include troubleshooting, technical analysis, problem diagnosis and repair or replacement of the defective device. Any replacement unit shall be of equal or better quality and functionality than the defective device. Company, at its sole option, shall provide such services either directly, with Company's own employees, or indirectly, through the manufacturer or through third-party subcontractors. In any event, Company shall remain solely responsible to Customer for problem resolution.

In certain instances, Company may elect to replace a defective unit with a loaner unit. In such event, Company shall ship the loaner unit to Customer and Customer shall ship the defective unit to Company for repair. Once repair has been completed, the unit shall be returned to Customer and Customer shall return the loaner unit to Company. All shipping costs associated with such activity shall be the responsibility of Company. The parties further agree that the method of packaging and shipment shall be in accordance with commercially reasonable standards.

The Company is not obligated under the terms of this Agreement to repair damage to equipment caused either directly or indirectly by (a) nuclear radiation or radioactive contamination arising out of the use by Customer of radioactive material, (b) accident, negligence or abuse of or by Customer or third parties, (c) failure of Customer to maintain required environmental conditions, (d) causes external to the system such as electric power fluctuation or failures, (e) fire, windstorm, the elements, or acts of God or (f) attachment of non-Company equipment or features to the equipment by Customer or third parties. Such repair will be rendered only upon specific order by Customer and after approval by Customer of the estimated charges thereof.

Maintenance charges do not include the furnishing of supplies (such as ribbons, paper forms, media, printheads, toner or laser drums). Only supplies which meet manufacturer's specifications shall be used by Customer.

SUPPORT SERVICES (cont.)

II. SCOPE OF SERVICES (cont.)

C. GENERAL

Company shall maintain a toll-free telephone support line for Customer to report problems associated with the covered products listed on Schedules A and/or B. Telephone support is not intended to serve as a training facility.

Service coverage is 8:00 a.m. to 5:00 p.m. local time, Monday through Friday, excluding Designated Holidays.

The Company shall activate an escalation plan to involve the necessary technical resources should some extraordinary circumstance cause repair or problem resolution to extend beyond a reasonable time.

In certain situations associated with the repair or correction of a reported problem, additional effort may be necessary to return the system, as a whole, to normal operation, i.e., re-loading of system and/or application software, restoration of data files, etc. In such cases, it may be necessary to secure the onsite services of a Company technician. These services will be provided Customer at additional cost, billed at the Company's then current daily rate, plus travel related expenses.

Should the Customer from time to time require and request other services offered by the Company but not covered under this Agreement, the Company will provide such services at its then current time, materials and travel rates.

The Company reserves the right to request that Customer upgrade its equipment, systems software and/or Program Products to a subsequent or new release, version or model on Company request. Customer acknowledges, understands and agrees that in the event that Customer refuses to upgrade, Customer may preclude Company from performing its duties and obligations hereunder. In such event, and notwithstanding any other provisions of this Agreement, Company reserves the right to discontinue support services.

Company shall have no responsibility or liability with respect to any problems associated in any way with Customer's installation and/or use of any equipment, system or application software purchased by Customer from another vendor. Customer acknowledges that its use of such products may adversely effect the operation of those products supplied by Company. In such event, Company will, at Customer's request, provide its best efforts to identify and, if practical, to resolve the problem. If the problem is ultimately determined by Company to be caused by or attributable to another vendor's product, Customer shall pay Company additional fees calculated at Company's then current time, material and travel rates.

D. INTERNET ACCESS

For those instances where Company has provided equipment, systems software and/or services to enable Customer to access the Internet (through an Internet Services Provider (ISP) contracted with directly by the Customer), Company shall provide the following services:

- (1) Software and equipment support in accordance with the aforementioned terms of this Support Services Section
- (2) Technical assistance, problem diagnostics and procedural assistance regarding Customer's internal ability to access the ISP, i.e. troubleshooting connectivity issues, adding new users, etc. All such services shall be provided via telephone and/or remote dial-up access by Company into Customer's computer system.

Company shall not be liable for and Customer hereby assumes the risk of and shall indemnify and hold harmless the Company from and against any claim, loss, damage or expense, either direct or indirect, incurred, made or suffered by Customer in connection with or in any way arising out of Customer's use of the internet, including, but not limited to, any occurrences of (i) unauthorized access by any party (hacking) into any of Customer's equipment, software or databases and (ii) computer viruses downloaded to or found to exist on Customer's equipment, software or databases. In the event Customer experiences problems associated with or caused by instances of hacking and/or computer viruses and requests Company's technical assistance, Company shall provide such assistance at its then standard rates, plus travel expenses.

III. TERM OF SUPPORT AGREEMENT

Support services shall commence on the first of the month next following installation and shall continue for an initial period of twelve (12) months.

This Agreement shall renew automatically for additional terms of twelve (12) months unless either party provides the other written notice of termination ninety (90) days prior to the expiration date of the initial term or any subsequent twelve-month term.

IV. COMPENSATION

In consideration of the performance of such services as set forth in this Agreement, the Company will receive fees in the amounts set forth in Schedule D, subparagraph A & B from the Customer. These fees are subject to appropriation and change as further described in Section V.

V. PRICE CHANGES AND APPROPRIATION

If the Company utilizes a third party equipment maintenance services provider, the Company shall be entitled to change any price for equipment maintenance services upon thirty (30) days prior (to the next invoicing cycle) written notice in order to pass through to the Customer any price increase or decrease which the equipment maintenance services provider may from time to time make.

The Company shall be entitled to increase any prices for software support and/or equipment maintenance services provided by the Company upon ninety (90) days prior written notice to the Customer, no more than once in every twelve (12) month period under this Agreement. The price changes are consistent with Manatron's price increase policy. Such increase shall not exceed the greatest of 7% per annum or the adjustment to the Consumer Price Index (CPI) over the period preceding the increase.

In the event the proper appropriation of funds for the continuation of this Agreement is not available for any fiscal year after the first fiscal year, then this Agreement may be terminated. To effect the termination of this Agreement, Customer shall, within thirty (30) days following the beginning of the fiscal year for which the proper appropriation is not available, provide Company with written notice of the failure to obtain the proper appropriation of funds. Such notice shall be accompanied by the payment of all sums then owed Company under this Agreement, if any. No penalty shall accrue to Customer in the event of exercise of termination due to nonappropriation. If this Agreement is terminated due to non-appropriation, Customer shall not, for the longer of two (2) year or the term then remaining under this Agreement, hire or solicit for employment any entity or individual for the purpose of obtaining the same or substantially similar services provided by Company, the Software, or any Enhancement as contemplated by this Agreement.

VI. CUSTOMER RESPONSIBILITIES

Customer shall provide the Company with access to Customer's facilities and use of the Customer's office space, office equipment, computers and other equipment or records that may be required to perform the tasks described herein, including access after normal working hours and on weekends. The Customer shall provide the necessary personnel to maintain security of the facility, as deemed appropriate by the Customer.

Customer shall maintain site conditions within the common environmental range requirements of all system and media devices as specified by the Company.

Customer shall create and maintain timely, accurate and readable electronic back-ups of all data, program and

system files. Company will advise Customer of the proper procedures regarding same.

Customer shall provide and bear the costs of Company specified modem sets. Further, Customer shall procure and maintain, at its own cost and expense, a dedicated, voice-grade phone line (no operator interface) to facilitate remote support services. This phone line shall be installed within 20 feet of the workstation to be used for remote diagnostic support and must be installed prior to equipment/software installation.

VII. COMPANY RESPONSIBILITIES

The Company shall maintain a trained staff capable of rendering the services set forth herein and will perform its services under this Agreement in a professional manner, consistent with standard industry practices.

The Company will safeguard any materials, equipment and information provided by the Customer during the term of this Agreement in a manner prescribed by the Customer. In lieu of specific guidance from the Customer, the Company will use reasonable care to prevent unauthorized disclosure of Customer information.

VIII. SUBCONTRACTS

The Company reserves the right to subcontract work, as it deems necessary, to perform the services under this Agreement, provided, that the Company shall first obtain Customer's prior written consent.

IX. SERVICE WARRANTY

The services provided hereunder to the Customer shall be reasonably sufficient as compared to industry standards and are on an "as is" basis. THE COMPANY MAKES NO WARRANTIES WITH RESPECT TO THE SERVICES, EXPRESS OR IMPLIED, INCLUDED, BUT NOT LIMITED TO, THE IMPLIED WARRANTIES OF MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE.

SCHEDULE A – EQUIPMENT/OPERATING SYSTEM SOFTWARE

I. EQUIPMENT

None

NOTE: CUSTOMER MAY BE REQUIRED TO PROVIDE ON-SITE ASSISTANCE VIA TELEPHONE FOR REMEDIAL HARDWARE AND/OR SOFTWARE MAINTENANCE.

II. SYSTEM SOFTWARE

Description	Qty.		Monthly Service Price
Windows 2000 Server – Customer to Provide			
PCANYWHERE	1		
SQL SERVER 2000 - Standard Edition Single User Additional Clients – Customer to Provide	20		
CRYSTAL REPORTS PRO V8.5 - SINGLE USER (CD) *	1		
Total System Software		\$635.00	\$410.00

SCHEDULE A TOTAL

**\$635.00
+ Freight**

SCHEDULE A-1 - SYSTEM SPECIFICATIONS

Customer is responsible for providing a dedicated phone line

Server's Components	Minimum Requirements	Recommended Configuration
Processor:	-700MHz Pentium III	-Dual 933MHz Pentium III
Memory:	Servers not running RDBMS 256MB of RAM Servers running RDBMS 512MB of RAM	Servers supporting one application -512MB of RAM Servers supporting multiple applications -1024MB of RAM
Disk Subsystem:	- Wide Ultra 2 SCSI Controller - (2) 18GB Wide Ultra2 SCSI Disk Drives (10k RPM) - 40X SCSI CD Rom Drive - 12/24GB 4mm, DAT Tape Drive or - 20/40GB DLT Tape Drive	- Wide Ultra3 RAID Controller(s) - RAID Level 1 Drive (Two 18GB 15,000(RPM)) Operating system and memory swap file - RAID Level 1 Drive (Two 18GB 15,000 RPM) - RDBMS Logs - RAID Level 5 Drive (Three or more 18GB 15,000 RPM) RDBMS Data and Image Data - 35/70 DLT Tape Drive or Library
Network:	- 100Mbit PCI bus Ethernet Card - 56K US Robotics Modem (External)	- 100Mbit PCI bus Ethernet Card - 56K US Robotics Modem (External)
Software:	- Windows NT Server 4.0 SP5 - SQL Server - Veritas Backup Executive - PcANYWHERE	- Windows 2000 - InoculateIT

Specifications are intended for sites that have fewer than 25 users. Please consult with Manatron Database Management Services regarding disk space usage.

SCHEDULE A-1 - SYSTEM SPECIFICATIONS (continued)

Workstation Components	Minimum Requirements	Recommended Configuration
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Hardware:	<ul style="list-style-type: none"> - 800MHz Pentium III - 128MB of RAM - 17" Monitor (1024x768 resolution) - 4GB Disk Drive - 10Mbit PCI bus Ethernet Card - 24X CD-Rom 	<ul style="list-style-type: none"> - 933MHz Pentium III - 256MB of RAM - 19" Monitor (1024x768 resolution) - 10GB Disk Drive - 100Mbit PCI bus Ethernet Card - 40X CD-ROM
Software:	<ul style="list-style-type: none"> - Windows 98 or Windows NT Workstation - PcANYWHERE (one for every two hosts) 	<ul style="list-style-type: none"> - Windows 98 or Windows NT Workstation - PcANYWHERE (one for every two hosts) - Snagit, PrintKey, or other equivalent screen capture - Crystal Reports
Network:	<ul style="list-style-type: none"> - 100Mbit PCI bus Ethernet Card - 56K US Robotics Modem (External) 	<ul style="list-style-type: none"> - 100Mbit PCI bus Ethernet Card - 56K US Robotics Modem (External)

Network Components	Minimum Requirements	Recommended Configuration
Network:	<ul style="list-style-type: none"> -Category 5 UTP cable ran to each Ethernet Device <p>Servers must have a 100Mbit per second Ethernet connection, all other devices must have a 10Mbit per second Ethernet Connection</p>	-100Mbit Switched Ethernet for all devices

Application Specific Specifications

Application	Minimum Requirements	Recommended Configuration
MVP CAMA	Printer -HP 4100N w/additional 64MB & duplexing	Printer -HP8150DN w/additional 64MB

SCHEDULE B- APPLICATION SOFTWARE

I. APPLICATION SOFTWARE

Description	Activators		Monthly Service Price
CAMA Appraisal/Assessing			
- CAMA Appraisal – full	9		
- CAMA Appraisal Inquiry	9		
Total Application Software		\$54,000.00	\$1,350.00

Monthly Service Price will replace the current CAMA support fees.

II. APPLICATION SOFTWARE ALLOWANCE

Description	Qty.	
Total Application Software Allowance		-\$48,000.00

SCHEDULE B TOTAL

\$6,000.00

SCHEDULE C- SERVICES

I. CONSULTATION/TRAINING (to be invoiced as incurred)

Description	Vendor Code/ Model #	No. Of Days	Total Price
CAMA Training	TRNG		
Total Consultation/Training *		5	\$3,000.00

*CAMA software and tables setup Consultation/Training.

II. OTHER COSTS - Plus travel related expenses, if any.

Pre-installation and Implementation; Data Transfer with Data Conversion (R-base to SQL);
application and System Software Installation **\$8,020.00**

III. TRAINING

Company shall provide training to Customer for the application software in the amounts identified above. Any additional training days requested by Customer shall be billed, as used, at the rate in effect at the time of service. Customer shall provide a suitable room or space where training can be conducted in an uninterrupted manner. All Customer personnel to be trained should have adequate job coverage to ensure uninterrupted training sessions. Up to six hours of training are included in one "full day" of training. Customer acknowledges the importance of receiving the training provided herein and shall use its best efforts to ensure that said training is fully completed. In any event, Company's obligation to provide said training shall terminate twenty-four (24) months from the date of this Agreement. Manatron recommends one (1) person per PC/terminal. Customer is responsible for all travel-related expenses associated with consultation/training.

IV. CONVERSION

Company shall provide conversion services to transfer data associated with the application software identified above. Company shall only convert such data as (i) is required by the new application software provided by this Agreement and (ii) Company is reasonably able to convert. Any data that is not converted by Company, as well as any data files associated with any third party product (such as word processing, spreadsheet, etc.) must be manually converted by Customer

SCHEDULE C TOTAL

\$11,020.00

SCHEDULE D - SUMMARY

A. One-Time Costs:

	PURCHASE PRICE
APPLICATION SOFTWARE	\$54,000.00
SOFTWARE ALLOWANCE	-\$48,000.00
SYSTEM SOFTWARE	\$635.00
OTHER SERVICES	\$11,020.00
TOTAL PURCHASE PRICE	\$17,655.00 + Freight

B. On-Going Costs:

	MONTHLY FEE
APPLICATION SOFTWARE SUPPORT	\$1,350.00
SYSTEM SOFTWARE SUPPORT	\$410.00
TOTAL ON-GOING COSTS	\$1,760.00

The On-going Costs listed above will either be added to or replace your current monthly fees.

AGREEMENT ACCEPTANCE

MANATRON, INC. and Customer, by signature below, acknowledge that they have read this Agreement, including the schedules detailed below, understand it and agree to all its terms and conditions. This Agreement constitutes the entire Agreement, between the parties and supersedes all prior communications, proposals, or agreements relative to the hardware, software or services outlined herein.

Schedules that are a part of this Agreement, include:

Schedule A – Equipment/Systems Software

Schedule B – Application Software

Schedule C – Services

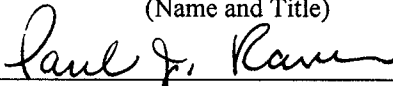
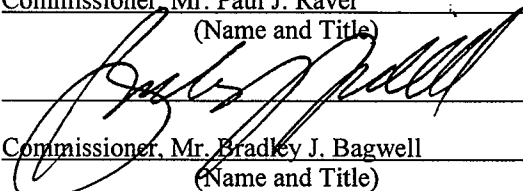
Schedule D – Summary

Accepted:


MANATRON, INC.

By _____
Title James W. Flake, Executive Vice President
Date _____

Accepted: **HOWARD COUNTY, INDIANA**

By _____
Commissioner/President, Mr. John B. Harbaugh
(Name and Title)
By 
Commissioner, Mr. Paul J. Raver
(Name and Title)
By 
Commissioner, Mr. Bradley J. Bagwell
(Name and Title)
Date 10/11/01

Attested:

By 
County Auditor, Ms. Martha Lake
(Name and Title)